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SUBJECT: MEDIA REACTION IRAQ; COLOMBIAN ELECTIONS; UN
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LEGISLATION; ARGENTINE JUDICIAL SECURITY; IMF
DELEGATION TO ARGENTINA; MERCOSUR; MONTENEGRO
05/30/06;BUENOS AIRES

1. SUMMARY STATEMENT

Weekend stories include the current situation in Iraq; the outcome of Colombian elections; the imminent voting at the UN Security Council to remove five of its non-permanent members; the implications of the Enron case; the status of the US immigration draft bill; the arrival of an IMF delegation to Argentina; the re-launching of Mercosur and Venezuela's entry into it; the independence of Montenegro; Venezuelan President Hugo Chavez preparing to sign deals to secure his country's role in Bolivia's recent nationalized energy industry; and Hamas withdrawing its militia from the streets of Gaza.

Daily-of-record "La Nacion" (05/28) published an interview with Leslie Burger, Library Association President, who lectured at the 39th Argentine Meeting of Librarians in Buenos Aires.

2. OPINION PIECES AND KEY STORIES

- "Far from a triumphant attitude, Bush and Blair issue a 'mea culpa' about Iraq"

Ana Baron, Washington-based correspondent for leading "Clarín," writes (05/27) "... President George W. Bush and PM Tony Blair gave a joint press conference to issue a 'mea culpa' due to the mistakes made in Iraq. Aware of the cost that those mistakes have had on their respective presidencies and the manner in which it affected their popularity rates, both were more united than ever.

"Bush admitted having used a tough language, with which he gained the image of a cowboy decided to exterminate Indians...

"... Furthermore, Bush said that the most important mistake on a military level was the abuse of prisoners at Abu Ghraib and the pictures that were shown all over the world...

"For his part, Blair said that his most important mistake was having overthrown every former member of the Baaz political party, which left the Iraqi government institutions without any government official with the necessary knowledge and background to perform duties."

- "They still don't get it"

Gwynne Dyer, contributor to liberal, English-language "Buenos Aires Herald," writes (05/30) "... The original decision to invade Iraq was the fatal mistake; the rest is just consequences. Iraq's government was crueler and less loved than most regimes in the Arab world, but the US and UK would be facing the same kind of resistance movement today if they had invaded Morocco, Egypt or Yemen in 2003. There is no country of over two million people in the Arab world where an invading US army would not soon be confronted by the kind of resistance it is facing in Iraq.

"... If some other country had invaded Iraq with the best of intentions - Russia, say, or Japan - it might have got away with it. But the Anglo-American invasion of Iraq was doomed from the first, and Bush and Blair had dozens of experts on call who could have told them why. Either they didn't listen, or they chose not to ask."

- "Iraq cannot write the final chapter yet"

Leading "Clarín" carries an op-ed piece by Felipe A. M. de la Balze, international economist and negotiator, who opines (05/28) "The Iraqi people has been subject during almost all its history to cruel tyrannies...

"Since last week, for the first time in its history, Iraq has a 'national unity' democratic government including its most representative communities -

Shiites, Kurds and Sunnis...

"... According to the optimistic ones, the conformation of a national unity government is the first step toward a new Iraq. The pessimistic believe that Iraq will inexorably be pushed to civil war...

"... For the USG, the possibility of civil war represents a strategic, almost humiliating defeat."

- "Bush's victory; Chavez's setback"

Business-financial "Ambito Financiero's" columnist Marcelo Falaz writes (05/29) "If Alvaro Uribe's reelection has been much more of a possibility for months, his definitive triumph is the most emphasized news of yesterday's elections and has an impact beyond Colombia.

"The outcome of Colombian elections implies strong support for the most pro-US South American administration and, at the same time, a possible brake on Hugo Chavez's wishes to gain regional influence.

"Colombia's importance for the Bush administration is that US top priority issues (drug trafficking, terrorism, and free trade) overlap extensively in that country."

- "A hard regional role for Bogota"

Oscar Raul Cardoso, international analyst of leading "Clarín," opines (05/30) "... Just like Chavez's successive triumph and the most recent one of Evo Morales did not imply... an automatic rebirth of a 'populist chaos' in the region..., four years of sustained economic growth and a notorious reduction of violence are the reasons for Uribe's victory... Neither the right nor the left wing can today

disregard Latin America's real mosaic.

"Nevertheless, the truth is that four more years for Uribe will place Colombia in a troubled regional situation, between the sword and a hard place. 'The Times' newspaper considered (Colombia) a crucial place 'in the new Cold War' that is occurring in South America, in clear reference to the growing confrontation between the US and Venezuela.

"Colombia is in the middle of a confrontation between its first and second trading partners. And, while Uribe's obvious empathy is tuned to Bush's view and he depends on Bush for his future FTA and for continued military aid, the truth is that Venezuela not only represents an economic asset (for Colombia) but a national security issue as well."

- "An ally of George W. Bush"

Mercedes Lopez San Miguel, columnist of left-of-center "Pagina 12," writes (05/29) "One of the few remaining allies of the Bush administration in the region, which is increasingly hostile to it, is perpetuating in power. Recently, both Bush and Uribe signed an FTA, and Washington is funding the so-called Plan Colombia (an anti-drug plan that ended up in an 'anti-terrorism' plan).

"Alvaro Uribe's reelection occurs now that the Andean Community of Nations is dying, and the Cuban-Venezuelan-Bolivian axis has invigorated since Evo Morales took over.

"The man who has a tough line with insurrection and ties with the paramilitary, has two challenges on both the domestic and international levels - coming to terms with the FARC and reviving the Andean Community of Nations."

- "Chile rejects US pressure"

Business-financial "Ambito Financiero" reports (05/30) "Chilean Foreign Minister Alejandro Foxley said yesterday that his country is willing to be persuaded,

not pressured, to vote at the UN Security Council, which will remove five of its non-permanent members.

"... According to 'La Tercera' local newspaper, the USG had warned Chile that the bilateral relationship between the two countries will be damaged if Chile supports Venezuela's entry into the UN Security Council."

- "The Enron case and a statement of condemnation of corporate culture"

Mario Diament, contributor to daily-of-record "La Nacion," comments (05/27) "... The US verdict against two business executives of the Enron Company was a condemnation of a perverse trend in US corporate culture.

"... The implications of the Enron case are not limited to the business environment. To a great extent, they reach the White House due to a series of complex ties between Kenneth Lay and George W. Bush...

"As has happened with other scandals, including that of the war in Iraq, Bush has managed to avoid all responsibility.

"With his popularity rate at the lowest level in history, Bush has the advantage of a tiger and its

stripes - one more stripe does not make a difference."

- "Key US immigration legislation makes progress"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," writes (05/26) "The US took an important step yesterday toward the biggest immigration reform in 20 years through the US Senate's approval of a restrictive immigration draft bill that will increase the penalties for those hiring illegal immigrants and reinforce border controls. However, the initiative includes the possibility that nearly ten million undocumented immigrants will obtain US citizenship.

"The (US) Senate's deal represents the first clear triumph for President Bush's domestic agenda during recent months. However, the draft bill could suffer deep changes. The Lower House approved its own text, even harsher, last December, and now legislators will have to come to terms about a unique draft bill that can be passed.

"In an election year, the initiative immediately triggered an increasing wave of demonstrations of immigrants, civil rights defenders and the Catholic Church...

"... If approved, this immigration reform will affect the future of millions of workers and their families, most of whom have come from Latin America."

- "A very premature reelection project"

Joaquin Morales Sola, political analyst of daily-of-record "La Nacion," comments (05/28) "They talk about Kirchner's reelection as it only depended on his solitary decision.

"... The international economy is having a negative twist... Its direct consequences may not be catastrophic either for Latin America or for Argentina...

"However, a deceleration in world economic growth could bring some reduction in the prices of Argentine exports...

"Argentina's economic growth was based on four pillars - high exchange rate, high fiscal surplus and trade surplus, and inflation under control. For those variables to continue, consistency and a high level of investment are needed.

"Argentina needs direct foreign investment. It has

received less than deserved during recent years because the required domestic political and judicial conditions never existed. Things are worse today - at the current pace, that investment could only be half of that of last year. Even domestic investment could be reluctant due to virtual price control accords, the lack of a strategic plan and the official rebuffs to businessmen who are, in last instance, investors."

- "An IMF delegation will arrive today in the country to monitor the situation of the economy"

Juan Cerruti, economic columnist of business-financial "El Cronista," writes (05/29) "After the total cancellation of Argentina's debt to the IMF, both the IMF and the Argentine Government will resume formal contacts when an IMF delegation arrives today in the country...

"The purpose of this delegation is gathering information for an IMF annual audit on the evolution of the economy of every IMF country-member... According to speculation, the delegation will particularly focus on two variables - the status of inflation and the evolution of (governmental) expenditure, and the situation of the provinces."

- "A USG position is being defined, which will be crucial for Argentina"

Ana Baron, Washington-based correspondent for leading "Clarín," writes (05/28) "Now that the departure of US Treasury Secretary John Snow is imminent, there are three candidates to replace him - former Secretary of Commerce Dan Evans..., current number two at the US Department of State Robert Zoellick, and Secretary of Commerce Carlos Gutierrez."

"... Zoellick was one of the main protagonists of attempts to re-launch the FTAA..., and has closely followed our region and particularly Argentina and its deep economic crisis."

"For his part, Carlos Gutierrez has played a very active role in trade negotiations, and was one of the members of Bush's delegation at the Summit of the Americas."

13. EDITORIALS

- "Uribe's triumph in Colombia"

An editorial in daily-of-record "La Nación" reads (05/30) "Colombian conservative President Alvaro Uribe's sliding victory... has broken the prevailing Latin American trend of recent times to vote left-wing or center-to-left candidates. However, we should recognize that the violence caused by guerrillas and narcoterrorism has turned Colombia into a very different country vis--vis the rest of the hemisphere, and that this has determined the outcome of presidential elections."

"... Uribe's re-election is a clear victory of his government's frontal policy against guerrillas and high crime rates in big urban hubs... but it has also implied the people's support for the country's sustained economic growth after 1999 recession."

"... With all the power Colombians have granted to Uribe, he will be in a position to consolidate his policy oriented to put an end to violence and put the country on a safe track towards stabilization and peace. For this purpose, it will be fundamental that a frontal struggle against guerrillas and drug trafficking will continue guaranteeing the full enforcement of human rights."

- "Mercosur's re-launching"

Conservative "La Prensa" (05/26) editorializes "... Venezuela's entry in MERCOSUR will have economic and political effects that should be considered, particularly bearing in mind the difficult situation

the alliance is going through due to bilateral confrontations and unsolved issues regarding trade asymmetries among its partners...

"To all this, one should add the USG's increasing mistrust regarding the progress made by the Venezuelan government in the area, which has been one of the most important points taken into account for the definitive nomination of a new US ambassador to our country."

- "Montenegro, a new State"

Leading "Clarín" editorializes (05/27) "There are processes of integration and disintegration in the current international scenario, which reveal the strong tensions within societies..."

"The EU is the most successful example of a supra-national integration process. The disintegration of former Yugoslavia... has been the harshest expression of dis-integration processes.

"We should equally emphasize that Montenegro's independence has been peaceful and has not threatened to end up in another outburst of violence.

"... The independence of the small state of Montenegro closes a traumatic cycle in the expectation of a new form of coexistence with its neighbors, which will discourage extreme fragmentation."

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GUTIERREZ